

Preprocurement Procedures Guideline - 1.2.G (04/07/03)

[Last Update: \(04/07/03\) BDenman:kma - 1.2.G.0](#)

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Section 1.2.G.6 was revised to clarify proposal receipt process and make additional administrative changes in Section 1.2.G.4.c.

Definitions

A **change in the scope of work** is considered as a significant change in the type of material or services.

Preprocurement actions include SCR activities which may be expected to result in procurement actions, i.e., all steps completed prior to actual award of the contract.

Procurement actions include all commitments by SNL to acquire goods and/or services by order, agreement or contract and any modifications to existing contractual documents. (See Policy and Guideline 4.1.)

Postaward actions include all contract administration activities from tracking Contractor compliance to closing out completed or terminated contracts. (See Policy and Guideline 4.1.)

Preprocurement Procedures - 1.2.G.1

This guideline provides a general discussion of preprocurement actions and a reference for locating related guidelines which contain more specific information on some procedures.

Acquisition Planning - 1.2.G.1.a

Under certain conditions, it may be necessary for the SCR and Requester to engage in acquisition planning prior to creation of the PR. Policy and Guideline 1.1 - Acquisition Planning, provides detailed information on the requirements and on the procedures involved in the effort.

Electronic Message in Lieu of Purchase Requisition - 1.2.G.1.b

An electronic message may be accepted (at the SCR's discretion) from line Requesters in lieu of an Oracle Purchase Requisition for orders under \$25K. The message should contain all pertinent information and relevant documents to allow the SCR to enter the order into the Oracle system. In addition, the message should be scanned into the contract file.

Purchase Requisition Defined - 1.2.G.1.c

The PR is:

- a process for providing the SCR with the mandate and authority to proceed toward a procurement action, and
- a commitment to purchase.

There are four ways to process a PR:

- through the Oracle system,
- using Form SF 6430-RDO – PR Worksheet,
- by calling (505) 284-4PHD, or
- by calling the appropriate JIT Contractor.

Orders placed by means of a PR Worksheet or by telephone will be entered in Oracle and sent to the Requester for appropriate approvals.

Buyer-Made Changes - 1.2.G.1.d

The SCR may initiate Buyer-Made revision provided there are no changes in:

- scope of work,

contract price/cost results from the action if greater than \$25K.

Analyzing the Purchase Requisition - 1.2.G.2

The SCR is responsible for editing the procurement documents for:

- spelling,
- grammatical construction, and
- format.

All aspects of the procurement relating to selection of sources, pricing arrangement, type of procurement, priority, inspection code, Statement of Work (SOW) language, etc., are the direct responsibility of the SCR. SCRs should carefully read every SOW created by a Requester to ensure that the requirement is unambiguous, attainable, well-defined and well-worded.

To avoid unauthorized contacts between offerors and Requesters, unless expressly approved by the Department Manager, the SCR shall delete the names, organizations and/or phone numbers of non-Procurement personnel from Section I of the solicitation. Concurrence by the Requester with substantive changes to a PR (wording, specifications, period of performance, etc.) shall be documented in the Procurement file by the SCR.

Procurement Factors to Consider - 1.2.G.2.a

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Note 1: There is no guideline which addresses methodologies for determining the feasibility of the proposed schedule for performance of the SOW. Good judgment on the part of the SCR and good communication with the Requester are required to minimize the possibility that unrealistic schedules are called out in the solicitation.

Note 2: Typically at SNL, the SCR has very little involvement in the make/buy or repair/replacement decision because it is assumed that the Requester has done a thorough needs analysis prior to drafting the PR. However, it is a legitimate concern of the SCR that SNL's funding is spent in as effective a manner as possible.

Note 3: The approval levels for solicitation are the same as the commitment levels for the PAS. Exception: solicitations do not require approvals from DOE or Legal.

Note 4: SCRs should treat noncompliance with solicitation instructions in the same manner prescribed in Guideline 3.1 for determining technical responsiveness and in Guideline 1.2 for dealing with errors made in the proposal.

Note 5: Contractors should never begin performing work in anticipation of receiving authorization from the SCR to begin. However, if the SCR suspects that a Contractor may be engaged in this type of activity, it becomes the duty of the SCR to provide immediate **written** feedback to the Contractor that such actions are not authorized, and that SNL is not obligated to reimburse the Contractor for any costs incurred as a result of the unauthorized actions.

Processing the Purchase Requisition - 1.2.G.3

Transferring PR Line Items - 1.2.G.3.a

If it is necessary to transfer the Purchase Requisition (PR) line(s) to another SCR, the SCR must:

- determine the correct buying department and SCR,
- obtain concurrence from the receiving department, and
- assign the requisition line to the new SCR in the Oracle application.

Note: The current Buyer Assignment List is the most accurate source of information regarding the SCR's responsibilities for the various types of procurements.

Returning/Canceling PR Line Items - 1.2.G.3.b

The SCR can return a line item on a requisition. The SCR can also cancel line items when:

- requested by the Requester,
- SCR is unable to process, or
- no procurement action is required.

When technical and/or cost proposals have been received from a Contractor in response to a solicitation, the cancellation notification letter from the SCR should tell the Contractor that all materials received by SNL have been destroyed. The SCR must treat the proposals as private information and destroy accordingly.

Combining PR Line Items - 1.2.G.3.c

If, in the best judgment of the SCR, it makes good business sense and the decision will not create an unjustifiably noncompetitive situation, the SCR should combine PR lines for which a reasonable expectation exists that the required items can be obtained from a single source.

When the SCR determines that a combined procurement is warranted, they should follow the documentation requirements in Guideline 10.4 - PAS.

Potential Sources - 1.2.G.4

Requests for Information (RFI) - 1.2.G.4.a

When SNL requires information on prices, delivery, and other terms, a Request for Information (RFI) may be used.

A letter RFI may be issued based on a memorandum obtained from the line organization. The

process for issuing letter RFIs is as follows:

- Line organization initiates memorandum identifying the requirement.
- SCR issues letter RFI to Contractors which identifies SNL requirements and indicates the right to issue contract.
- SCR receives information and forwards to line organization for review.
- Line organization reviews, evaluates, and submits recommendations to SCR.

Note: An RFI does not require Team reviews.

If the RFI results in a PR commitment to purchase, a solicitation must be issued. RFI files shall be maintained in the Procurement Department until the RFI correspondence is merged with a procurement file or considered closed and appropriate disposition made, to include:

- data scanned and retained in Oracle Procurement files,
- brochures sent to the Technical Library, or
- records returned or destroyed.

If an RFI is made to a single source, a justification per Guideline 1.3, signed at the appropriate level, shall be obtained from the requesting line organization prior to issuance of the RFI.

Market Surveys - 1.2.G.4.b

A market survey may be initiated by the Requester or at the discretion of the SCR. It may be informal (letter) or RFI and conducted by the SCR or by the SCR in conjunction with the Requester when:

- requirements are defined but it is not clear if the marketplace has developed such an item to meet these functional needs,
- there has been a lag since the last purchase of the item/service increasing the possibility that there are additional sources of supply,
- a previous procurement yielded unsatisfactory performance/quality or price/cost, or
- the item/service is critical to a project and timely delivery is essential.

In soliciting numerous sources for product/service information, the SCR should consider utilizing:

- catalogs,
- trade or professional journals,
- advertisements,

- vendor or commodity directories,
- salespeople's contacts,
- procurement records, and
- input from the Requester.

Selecting Potential Sources - 1.2.G.4.c

In keeping with the SNL policy of fostering competition to the extent practicable while limiting solicitation to probable responsible, responsive Contractors, the SCR should select the optimum number of offerors and attempt to solicit competition. The selection of offerors involves:

- evaluation of sources suggested by the Requester,
- utilization of the SCR's records, and
- use of available procurement resources, such as
 - Thomas Register,
 - Electronic Products Magazine,
 - Active Contractor Directory,
 - Contractor Facility Survey and Qualification Evaluations (see Guideline 6.19.G),
 - Government Lists of Disqualified, Debarred and Ineligible Contractors,
 - special and directed source lists,
 - distributor, manufacturer and manufacturer's representative catalogs,
 - industrial and trade journals,
 - telephone directories, and
 - Federal Supply Schedules.

For competitive requirements of \$100,000 or less, the SCR will use any available publications or databases to obtain a list of suppliers capable of fulfilling the requirements. Competitive solicitations valued in excess of \$100,000 requires the SCR to submit either an electronic message or a memorandum (with PR number or copy of SOW) to the Supplier Information and Relations Department (SNL/NM) or to the Small/Disadvantaged Business Coordinator at SNL/CA requesting SB/SDB/WOB/8(a) sources.

Ratification of Unauthorized Contracts -

1.2.G.5

SNL generally is not bound by agreements or contracts made with Contractors or prospective Contractors, by individuals who are not SCRs. PRs which request the SCR to ratify procurements of items or services already acquired or performed must be approved formally by the Procurement Deputy Director at SNL/NM or the Procurement Department Manager at SNL/CA before any action is taken on the requisition.

The requesting organization that made the unauthorized commitment shall furnish to the SCR through their Line Director:

- all records and documents related to the commitment, and
- complete, written statement of facts to include, but not limited to:
 - why authorized procedures were not used,
 - why the Contractor was selected,
 - a list of other sources considered,
 - description of work to be performed or product to furnished,
 - estimated or agreed upon price,
 - date the contract commenced, performance, or date work will begin,
 - status of work-to-date, and
 - Director's recommendations for corrective action to preclude recurrence.

Prior to ratification, the appropriate Procurement Department Manager shall ensure that all of the following requirements have been met:

- supplies/services have been provided to and accepted by SNL, or SNL has obtained or will obtain a benefit resulting from the performance of the unauthorized commitment,
- the cognizant SCR/Procurement Department Manager could have granted authority to enter or could have entered into a contractual commitment at the time it was made and still has the authority to do so,
- the resulting PO/contract would otherwise have been proper if placed by an SCR,
- the SCR/Procurement Department Manager reviewing the unauthorized commitment determines the price to be fair and reasonable,

- the SCR recommends payment and the Procurement Department Manager concurs,
- funds are available and were available at the time the unauthorized commitment was made, and
- the ratification is in accordance with all related SNL procedures.

Once all the above requirements are satisfied, the Procurement Department Manager may ratify the unauthorized procurement action. If all requirements for ratification are not met, the Procurement Department Manager may refer the request to DOE/KAO for resolution, or the responsible parties may assume financial responsibility for the purchase.

Quotation Registration Process - 1.2.G.6

SCRs should hold proposals until solicitation due date unless proposal is submitted electronically. See Procurement Files Guideline 6.10.G for information relating to filing requirements for successful and unsuccessful proposals.

Note: Date stamping proposals is not required. Envelopes should remain sealed until due date unless proposal is electronically sent to SCR.

Late Proposals - 1.2.G.6.a

Late proposals may be considered for award at the discretion of the SCR, only if received prior to contract award.

Valid reasons for accepting late proposals include:

- the SCR determines the proposal was mailed in time to reach SNL by the due date, and such consideration will not result in unfair treatment to other offerors,
 - it offers significant cost or technical advantage to SNL or the Government, and/or
 - it is the only proposal received.
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References - 1.2.G.7

- Policy and Guideline 1.3 - Competitive vs. Noncompetitive Purchases
- Policy and Guideline 3.1 - Best Value Source Selection/Commercial-Like Practice

- Policy and Guideline 4.1 - Contract Changes
 - Policy and Guideline 6.1 - Commodity Categories and Subcategories
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Send feedback on ideas and information on this page to the Process Expert, Bertie Denman.



[Bertie Denman](#)



[Karen Archibeque](#)
